



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

October 6, 2008

Claire Callahan  
Vice President of Human Resources, Services  
Fresenius Medical Care North America  
920 Winter St.  
Waltham, MA 02451-4019

Dear Ms. Callahan:

**RE: FINAL MONITORING REPORT for Fresenius Medical Care – ET07-0276**

<b>Date of Last Visit</b>	06/02/08 (Telephone Conference)
<b>Action Required</b>	No

## CONTRACT INFORMATION

<b>Term of Agreement</b>	02/06/07 – 02/05/09	<b>Agreement Amount</b>	\$542,715
<b>Type of Trainee</b>	Retrainee	<b>Number to Retain</b>	457
<b>Training Start Date</b>	03/19/07	<b>Range of Hours</b>	32 - 200
<b>Date Training Must Be Completed</b>	11/07/08	<b>Weighted Avg Hrs</b>	76 - 90

## TRAINING STATUS

### *Project Statistics*

<b>Trainees Started Training</b>	204	<b>Completed Training</b>	2
<b>Trainees Enrolled</b>	1,091	<b>Completed Retention</b>	0
<b>Dropped Following Enrollment</b>	4	<b>In Retention Period</b>	2
<b>Completed Min Reimbursable Hrs</b>	10		

Based on a letter from Mr. James Freedman dated September 5, 2008, your contract will be terminated by ETP pursuant to Section 5.d. of the Agreement Terms and Conditions. According to the ETP online Contract Status and Invoice Status Reports, your company received \$2,047.50 in unearned progress payments, which must now be returned to ETP. In regards to subcontracted administrative fees, Exhibit C, item 7. of the contract states: "In no event shall the administrative fees paid under this Agreement with ETP funds exceed 13% of payment earned". Therefore, since you earned no payment, no administrative fees are required.

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[www.etp.ca.gov](http://www.etp.ca.gov)  
ETP (04/15/05)

Training Status (continued):

Your ETP contract began February 6, 2007, training started March 19, 2007 and was provided at the manufacturing plant in Walnut and at several dialysis clinics throughout the state. While some legitimate and valuable classes were delivered in manufacturing skills and new clinical equipment, the training program did not occur as planned. Staff experienced problems with both the delivery of training and program administration which fell short of ETP requirements for several reasons cited in previous monitoring reports.

Several issues (especially curriculum content and recordkeeping) were discussed with your staff in a telephone conference on Monday, June 2, 2008. As a result, ETP received the above referenced termination letter. Final project data has not changed since the last monitoring report from the April 16 visit.

Subsequent to this report, you will receive notice from the ETP Fiscal Unit about repayment of unearned ETP funds.

**RECORD RETENTION**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

**Please contact your Monitoring Analyst within ten working days at (818) 755-3633 or [nweingart@etp.ca.gov](mailto:nweingart@etp.ca.gov) if you have any questions or comments.**

Sincerely,

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Dolores Kendrick, Manager  
Los Angeles Regional Office

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Naomi Weingart, Contract Analyst  
Los Angeles Regional Office

Cc: James M. Freedman, Sr. Director Leadership Development, Fresenius (email)  
Sydney Hansen, VP of Education, Fresenius (email)  
Annette J. Fago, Consultant, Ernst & Young (email)  
Ashley Klein, Consultant, Ernst & Young (email)  
David Guzman, Chief, ETP Program Operations Division (email)  
Kulbir Mayall, Manager, ETP Fiscal and Certification Unit (email)  
ETP Master File  
ETP Project File

Date report mailed to Contractor \_\_\_\_\_